Before the Federal Communications Commission Washington, D.C. 20554

In the Matter of)	
Galaxy American Communications, L.L.C. d/b/a CableDirect) File No. EB-02-TS-17	6
Operator of Cable Systems in the States of:)	
Colorado, Illinois, Indiana, Iowa, Kansas, Missouri, Nebraska, Oklahoma, Texas,)	
Request for Waiver of Section 11.11(a) of the Commission's Rules)	
	ORDER	

Adopted: October 1, 2002 Released: October 7, 2002

By the Chief, Technical and Public Safety Division, Enforcement Bureau:

- 1. In this *Order*, we grant Galaxy American Communications, L.L.C. d/b/a CableDirect ("CableDirect") temporary, 36-month waivers of Section 11.11(a) of the Commission's Rules ("Rules") for 316 cable television systems in the nine above-captioned states listed in Attachment A. Section 11.11(a) requires cable systems serving fewer than 5,000 subscribers from a headend to either provide national level Emergency Alert System ("EAS") messages on all programmed channels or install EAS equipment and provide a video interrupt and audio alert on all programmed channels and EAS audio and video messages on at least one programmed channel by October 1, 2002.¹
- 2. The Cable Act of 1992 added new Section 624(g) to the Communications Act of 1934 ("Act"), which requires that cable systems be capable of providing EAS alerts to their subscribers.² In 1994, the Commission adopted rules requiring cable systems to participate in EAS.³ In 1997, the Commission amended the EAS rules to provide financial relief for small cable systems.⁴ The

¹ 47 C.F.R. § 11.11(a).

² Cable Television Consumer Protection and Competition Act of 1992, Pub. L. No. 102-385, § 16(b), 106 Stat. 1460, 1490 (1992). Section 624(g) provides that "each cable operator shall comply with such standards as the Commission shall prescribe to ensure that viewers of video programming on cable systems are afforded the same emergency information as is afforded by the emergency broadcasting system pursuant to Commission regulations" 47 U.S.C. § 544(g).

³ Amendment of Part 73, Subpart G, of the Commission's Rules Regarding the Emergency Broadcast System, Report and Order and Further Notice of Proposed Rule Making, FO Docket Nos. 91-171/91-301, 10 FCC Rcd 1786 (1994) ("First Report and Order"), reconsideration granted in part, denied in part, 10 FCC Rcd 11494 (1995).

⁴ Amendment of Part 73, Subpart G, of the Commission's Rules Regarding the Emergency Broadcast System, Second Report and Order, FO Docket Nos. 91-171/91-301, 12 FCC Rcd 15503 (1997) ("Second Report and

Commission declined to exempt small cable systems from the EAS requirements, concluding that such an exemption would be inconsistent with the statutory mandate of Section 624(g).⁵ However, the Commission extended the deadline for cable systems serving fewer than 10,000 subscribers to begin complying with the EAS rules to October 1, 2002, and provided cable systems serving fewer than 5,000 subscribers the option of either providing national level EAS messages on all programmed channels or installing EAS equipment and providing a video interrupt and audio alert on all programmed channels and EAS audio and video messages on at least one programmed channel.⁶ In addition, the Commission stated that it would grant waivers of the EAS rules to small cable systems on a case-by-case basis upon a showing of financial hardship.⁷ The Commission indicated that waiver requests must contain at least the following information: (1) justification for the waiver, with reference to the particular rule sections for which a waiver is sought; (2) information about the financial status of the requesting entity, such as a balance sheet and income statement for the two previous years (audited, if possible); (3) the number of other entities that serve the requesting entity's coverage area and that have or are expected to install EAS equipment; and (4) the likelihood (such as proximity or frequency) of hazardous risks to the requesting entity's audience.⁸

- 3. On May 8, 2002, CableDirect filed a request for temporary, 36-month waivers of Section 11.11(a) for 316 small rural cable systems in Attachment A in the nine captioned states. In support of the waiver request, CableDirect states that the 316 cable systems each serve between 1 and 447 subscribers. Based on price quotes provided by EAS equipment manufacturers, CableDirect estimates that it would cost at least \$10,000 to install EAS equipment at each of these systems for a total cost of \$3,160,000. CableDirect asserts that this cost will impose a substantial financial hardship on it and provides its financial statements for 2000 and 2001 in support of this assertion. In addition, CableDirect submits that its subscribers will continue to have ready access to national EAS information from other sources, including its cable systems. In this regard, CableDirect notes that its subscribers currently have access to national EAS messages on approximately 57 percent of all programmed channels. CableDirect also asserts that its subscribers will have access to EAS information through over-the-air reception of broadcast television and radio stations.
- 4. Based upon our review of the financial data and other information submitted by CableDirect, we conclude that temporary, 36-month waivers of Section 11.11(a) for the 316 cable systems in Attachment A in the nine captioned states is warranted. In particular, we find that the estimated \$3,160,000 cost to install EAS equipment for these very small systems could impose a financial hardship on CableDirect.

Order").

⁵ *Id.* at 15512-13.

⁶ Id. at 15516-15518.

⁷ *Id.* at 15513.

⁸ *Id.* at 15513, n. 59.

⁹ The waivers will extend 36 months from October 1, 2002 until October 1, 2005. CableDirect also specifically requested waiver of the testing and monitoring requirements of the EAS rules for these 316 systems. We clarify that the waivers we are granting also encompass the EAS testing and monitoring requirements.

- We note that the Commission recently amended the EAS rules to permit cable systems serving fewer than 5,000 subscribers to install FCC-certified decoder-only units, rather than both encoders and decoders, if such a device becomes available. 10 Based on comments from equipment manufacturers, we anticipate that such a decoder-only system could result in significant cost savings to small cable systems. 11
- Accordingly, IT IS ORDERED that, pursuant to Sections 0.111, 0.204(b) and 0.311 of the Rules, ¹² Galaxy American Communications, L.L. C. d/b/a CableDirect IS GRANTED a waiver of Section 11.11(a) of the Rules until October 1, 2005 for the 316 cable television systems listed in Attachment A.
- 7. IT IS FURTHER ORDERED that Galaxy American Communications, L.L. C. d/b/a CableDirect place a copy of this waiver in its systems files.
- 8. IT IS FURTHER ORDERED that a copy of this *Order* shall be sent by Certified Mail Return Receipt Requested to counsel for Galaxy American Communications, L.L. C. d/b/a CableDirect, Christopher C. Cinnamon, Esq., Cinnamon Mueller, 307 North Michigan Avenue, Suite 1020, Chicago, Illinois 60601.

FEDERAL COMMUNICATIONS COMMISSION

Joseph P. Casey Chief, Technical and Public Safety Division Enforcement Bureau

¹⁰ Amendment of Part 11 of the Commission's Rules Regarding the Emergency Alert System, EB Docket 01-66, FCC 02-64 at ¶ 71 (released February 26, 2002).

¹¹ One manufacturer estimated that an EAS decoder-only system can reduce the cost by 64% over what a cable operator would spend for an encoder/decoder unit. *Id.* at ¶ 70.

¹² 47 C.F.R. §§ 0.111, 0.204(b) and 0.311.

Attachment A

Galaxy American Communications, L.L.C. d/b/a CableDirect

<u>Cable Systems</u> :	Temporary Waiver Granted Until:
Colorado	
Aguilar, Colorado	October 1, 2005
Boone, Colorado	October 1, 2005
Cheraw, Colorado	October 1, 2005
Crowley, Colorado	October 1, 2005
Olney Springs, Colorado	October 1, 2005
Pueblo/Avondale, Colorado	October 1, 2005
Sugar City, Colorado	October 1, 2005
	,
Illinois	
Allendale, Illinois	October 1, 2005
Alsey, Illinois	October 1, 2005
Arrowsmith, Illinois	October 1, 2005
Baldwin, Illinois	October 1, 2005
Beaverville, Illinois	October 1, 2005
Beecher City, Illinois	October 1, 2005
Belle Rive, Illinois	October 1, 2005
Bellmont, Illinois	October 1, 2005
Bismarck, Illinois	October 1, 2005
Bluford, Illinois	October 1, 2005
Bonfield, Illinois	October 1, 2005
Browns, Illinois	October 1, 2005
Campbell Hill, Illinois	October 1, 2005
Carlock, Illinois	October 1, 2005
Chestnut, Illinois	October 1, 2005
Cisco, Illinois	October 1, 2005
Cowden, Illinois	October 1, 2005
Cypress, Illinois	October 1, 2005
Dahlgren, Illinois	October 1, 2005
Dongola, Illinois	October 1, 2005
Donovan, Illinois	October 1, 2005
Dubois, Illinois	October 1, 2005
East Carondelet, Illinois	October 1, 2005
Eldred, Illinois	October 1, 2005
Ellis Grove, Illinois	October 1, 2005
Flat Rock, Illinois	October 1, 2005
Grand Chain, Illinois	October 1, 2005
Grand Detour, Illinois	October 1, 2005
Gulfport, Illinois	October 1, 2005
Henning, Illinois	October 1, 2005
Hoyleton, Illinois	October 1, 2005

Temporary Waiver Granted Until:

To THE SE	0-4-11 2005
Ina, Illinois	October 1, 2005
Iroquois, Illinois	October 1, 2005
Irvington, Illinois	October 1, 2005
Joppa, Illinois	October 1, 2005
Joy, Illinois	October 1, 2005
Karnak, Illinois	October 1, 2005
Keensburg, Illinois	October 1, 2005
Keithsburg, Illinois	October 1, 2005
Kirkwood, Illinois	October 1, 2005
Lake Camelot, Illinois	October 1, 2005
Laplace, Illinois	October 1, 2005
Lee, Illinois	October 1, 2005
Logan (Hanaford), Illinois	October 1, 2005
Long Point, Illinois	October 1, 2005
Magnolia, Illinois	October 1, 2005
Manchester, Illinois	October 1, 2005
Martinton, Illinois	October 1, 2005
Mason, Illinois	October 1, 2005
Media, Illinois	October 1, 2005
Mulberry Grove, Illinois	October 1, 2005
New Boston, Illinois	October 1, 2005
New Burnside, Illinois	October 1, 2005
New Minden/Nashville, Illinois	October 1, 2005
Oakrun (Metamora), Illinois	October 1, 2005
Ohio, Illinois	October 1, 2005
Olmsted, Illinois	October 1, 2005
Paw Paw, Illinois	October 1, 2005
Penfield, Illinois	October 1, 2005
Pinewood Park, Illinois	October 1, 2005
Pocohantas, Illinois	October 1, 2005
Redmon, Illinois	October 1, 2005
Royal, Illinois	October 1, 2005
Sadorus, Illinois	October 1, 2005
Seaton, Illinois	October 1, 2005
Steward, Illinois	October 1, 2005
Stonefort, Illinois	October 1, 2005
Tamaroa, Illinois	October 1, 2005
Thawville, Illinois	October 1, 2005
Thompsonville, Illinois	October 1, 2005
Troy Grove, Illinois	October 1, 2005
W. Pierrone/E. Pierrone, Illinois	October 1, 2005
Waltonville, Illinois	October 1, 2005
West Salem, Illinois	October 1, 2005
West Union, Illinois	October 1, 2005
White Heath/Monticello, Illinois	October 1, 2005
with Heath/withdethe, Illinois	OCIOUCI 1, 2003

Temporary Waiver Granted Until:

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111414114	
Andrews, Indiana	October 1, 2005
Arlington/Rush Co., Indiana	October 1, 2005
Ashley, Indiana	October 1, 2005
Big Long Lake/Big Lake, Indiana	October 1, 2005
Boswell, Indiana	October 1, 2005
Bretzville/Stant-Marks, Indiana	October 1, 2005
Cataract Lake/Owen Co., Indiana	October 1, 2005
Chrisney, Indiana	October 1, 2005
Claypool, Indiana	October 1, 2005
Clear Lake, Indiana	October 1, 2005
Cloverdale, Indiana	October 1, 2005
Crane, Indiana	October 1, 2005
Dana, Indiana	October 1, 2005
Darlington, Indiana	October 1, 2005
Dubois, Indiana	October 1, 2005
Fish Lake/Lagrange Co./Royer, Indiana	October 1, 2005
Frankton, Indiana	October 1, 2005
Freetown/Jackson Co., Indiana	October 1, 2005
Gaston, Indiana	October 1, 2005
Gentryville, Indiana	October 1, 2005
Golden Lake, Indiana	October 1, 2005
Hillsboro, Indiana	October 1, 2005
Hoagland/Poe/Mill Rd, Indiana	October 1, 2005
Holland, Indiana	October 1, 2005
Jamestown, Indiana	October 1, 2005
Kimmell, Indiana	October 1, 2005
Kingman, Indiana	October 1, 2005
Knapp Lake, Indiana	October 1, 2005
Ladoga, Indiana	October 1, 2005
Lafontaine, Indiana	October 1, 2005
Lagro, Indiana	October 1, 2005
Lapel, Indiana	October 1, 2005
Liberty Mills, Indiana	October 1, 2005
Macy, Indiana	October 1, 2005
Manilla/Homer, Indiana	October 1, 2005
Markle, Indiana	October 1, 2005
Mentone, Indiana	October 1, 2005
Milroy, Indiana	October 1, 2005
Mongo/Lagrange Co., Indiana	October 1, 2005
Monterey, Indiana	October 1, 2005
Montezuma, Indiana	October 1, 2005
Morristown, Indiana	October 1, 2005
New Market, Indiana	October 1, 2005
Newport, Indiana	October 1, 2005

Temporary Waiver Granted Until:

Oliver Lake/Wolcotville, Indiana	October 1, 2005
Orland, Indiana	October 1, 2005
Otter Lake, Indiana	October 1, 2005
Otwell, Indiana	October 1, 2005
Owensberg, Indiana	October 1, 2005
Oxford, Indiana	October 1, 2005
Perrysville, Indiana	October 1, 2005
Pretty Lake/Big Long Lake, Indiana	October 1, 2005
Roann, Indiana	October 1, 2005
Royal Center, Indiana	October 1, 2005
Russellville, Indiana	October 1, 2005
Sheridan, Indiana	October 1, 2005
Shipshewana, Indiana	October 1, 2005
Somerset, Indiana	October 1, 2005
Spurgeon, Indiana	October 1, 2005
St. Paul, Indiana	October 1, 2005
Summitville, Indiana	October 1, 2005
Topeka, Indiana	October 1, 2005
Twin Lake/Howe, Indiana	October 1, 2005
Urbana, Indiana	October 1, 2005
Van Buren, Indiana	October 1, 2005
Walton, Indiana	October 1, 2005
Waveland, Indiana	October 1, 2005
Waynetown, Indiana	October 1, 2005
West Lebanon, Indiana	October 1, 2005
West Point, Indiana	October 1, 2005
Whitestown, Indiana	October 1, 2005
Worthington, Indiana	October 1, 2005
Young America, Indiana	October 1, 2005
Zanesville, Indiana	October 1, 2005
Iowa	

Adiar, Iowa	October 1, 2005
Afton, Iowa	October 1, 2005
Alexander, Iowa	October 1, 2005
Allerton, Iowa	October 1, 2005
Braddyville, Iowa	October 1, 2005
Bridgewater, Iowa	October 1, 2005
Chester, Iowa	October 1, 2005
Cincinnati, Iowa	October 1, 2005
Coin, Iowa	October 1, 2005
College Springs, Iowa	October 1, 2005
Conesville, Iowa	October 1, 2005
Crawfordsville, Iowa	October 1, 2005

Munden, Kansas

Narka, Kansas

Wisley, Kansas

Temporary Waiver Granted Until:

Cumberland, Iowa	October 1, 2005
Delta, Iowa	October 1, 2005
Denmark/Lee Co., Iowa	October 1, 2005
Donnellson, Iowa	October 1, 2005
Drakesville, Iowa	October 1, 2005
Fontanelle, Iowa	October 1, 2005
Garden Grove, Iowa	October 1, 2005
Grandview, Iowa	October 1, 2005
Hastings, Iowa	October 1, 2005
Henderson, Iowa	October 1, 2005
Holland, Iowa	October 1, 2005
Humeston, Iowa	October 1, 2005
Keswick, Iowa	October 1, 2005
Letts, Iowa	October 1, 2005
Lincoln, Iowa	October 1, 2005
Lineville, Iowa	October 1, 2005
M&W MHP/Muscatine/Ripley, Iowa	October 1, 2005
Massena, Iowa	October 1, 2005
Moravia, Iowa	October 1, 2005
Moulton, Iowa	October 1, 2005
Mystic, Iowa	October 1, 2005
Oakville, Iowa	October 1, 2005
Orient, Iowa	October 1, 2005
Pacific Junction, Iowa	October 1, 2005
Prescott, Iowa	October 1, 2005
Pulaski, Iowa	October 1, 2005
Rowan, Iowa	October 1, 2005
Russell, Iowa	October 1, 2005
Salem, Iowa	October 1, 2005
Seymour, Iowa	October 1, 2005
Shambaugh, Iowa	October 1, 2005
Winfield, Iowa	October 1, 2005
Wiota, Iowa	October 1, 2005
Kansas	
Bentley, Kansas	October 1, 2005
Burns, Kansas	October 1, 2005
Haddam, Kansas	October 1, 2005
La Harpe, Kansas	October 1, 2005
Mahaska, Kansas	October 1, 2005
Marquette, Kansas	October 1, 2005
M 1 V	October 1, 2005

October 1, 2005

October 1, 2005

October 1, 2005

Temporary Waiver Granted Until:

Missouri

Adrian, Missouri October 1, 2005 October 1, 2005 Barnard, Missouri October 1, 2005 Breckenridge, Missouri Buffalo, Missouri October 1, 2005 October 1, 2005 Burlington Junction, Missouri October 1, 2005 Cainsville, Missouri October 1, 2005 Calhoun, Missouri October 1, 2005 Canton, Missouri October 1, 2005 Center, Missouri October 1, 2005 Clearmont, Missouri October 1, 2005 Cole Camp, Missouri Creighton, Missouri October 1, 2005 October 1, 2005 Crocker, Missouri Deep Water, Missouri October 1, 2005 October 1, 2005 Downing, Missouri October 1, 2005 Eagleville, Missouri Elmo, Missouri October 1, 2005 Frankford, Missouri October 1, 2005 October 1, 2005 Franklin, Missouri Freeburg, Missouri October 1, 2005 Garden City, Missouri October 1, 2005 Gilman City, Missouri October 1, 2005 Gorin, Missouri October 1, 2005 October 1, 2005 Grant City, Missouri Green Ridge, Missouri October 1, 2005 Hardin, Missouri October 1, 2005 Holt, Missouri October 1, 2005 Hopkins, Missouri October 1, 2005 October 1, 2005 Iberia, Missouri October 1, 2005 Johnson Co., Missouri Keytesville, Missouri October 1, 2005 King City, Missouri October 1, 2005 Labelle, Missouri October 1, 2005 Lamonte, Missouri October 1, 2005 Lancaster, Missouri October 1, 2005 Laredo, Missouri October 1, 2005 October 1, 2005 Lewistown, Missouri Lincoln, Missouri October 1, 2005 Meadville, Missouri October 1, 2005 Montrose, Missouri October 1, 2005 Mound City, Missouri October 1, 2005 New Hampton, Missouri October 1, 2005 October 1, 2005 New London, Missouri Orrick, Missouri October 1, 2005 Polo, Missouri October 1, 2005

Cable Systems:	Temporary Waiver Granted Until:
Purdin, Missouri	October 1, 2005
Ridgeway, Missouri	October 1, 2005
Russelville, Missouri	October 1, 2005
Spickard, Missouri	October 1, 2005
Stanberry, Missouri	October 1, 2005
Stewartsville, Missouri	October 1, 2005
Stover, Missouri	October 1, 2005
Taos, Missouri	October 1, 2005
Urich, Missouri	October 1, 2005
Vienna, Missouri	October 1, 2005
Wayland, Missouri	October 1, 2005
Westphalia, Missouri	October 1, 2005
Wyaconda, Missouri	October 1, 2005
Nebraska	
Cedar Creek, Nebraska	October 1, 2005
Dubois, Nebraska	October 1, 2005
Endicott, Nebraska	October 1, 2005
Lake Wa-Con-Da, Nebraska	October 1, 2005
Otoe, Nebraska	October 1, 2005
Prague, Nebraska	October 1, 2005
Steinauer, Nebraska	October 1, 2005
Tobias, Nebraska	October 1, 2005
Union, Nebraska	October 1, 2005
Weston, Nebraska	October 1, 2005
Ohio	
Scott, Ohio	October 1, 2005
Oklahoma	
Aline, Oklahoma	October 1, 2005
Butler, Oklahoma	October 1, 2005
Canton, Oklahoma	October 1, 2005
Carter, Oklahoma	October 1, 2005
Chattanooga, Oklahoma	October 1, 2005
Cleo Springs, Oklahoma	October 1, 2005
Davidson, Oklahoma	October 1, 2005
Deer Creek, Oklahoma	October 1, 2005
Duke, Oklahoma	October 1, 2005
Eldorado, Oklahoma	October 1, 2005
Fort Cobb, Oklahoma	October 1, 2005
Fort Supply, Oklahoma	October 1, 2005
Garber, Oklahoma	October 1, 2005
Geronimo, Oklahoma	October 1, 2005
Gotebo, Oklahoma	October 1, 2005
Gracemont, Oklahoma	October 1, 2005

Temporary Waiver Granted Until: Cable Systems: Granite, Oklahoma October 1, 2005 Lamont, Oklahoma October 1, 2005 Lone Wolf, Oklahoma October 1, 2005 Martha, Oklahoma October 1, 2005 Medford, Oklahoma October 1, 2005 Meno, Oklahoma October 1, 2005 October 1, 2005 Ninnekah, Oklahoma Olustee, Oklahoma October 1, 2005 Red Rock, Oklahoma October 1, 2005 October 1, 2005 Ripley, Oklahoma Rocky, Oklahoma October 1, 2005 Sentinel, Oklahoma October 1, 2005 Synder, Oklahoma October 1, 2005 Tipton, Oklahoma October 1, 2005 Verden, Oklahoma October 1, 2005 **Texas** October 1, 2005 Mission/Bentsen Grove, Texas Pleasant Valley, Texas October 1, 2005 October 1, 2005 Progreso, Texas San Carlos, Texas October 1, 2005

October 1, 2005

Sebastian, Texas